

**Report to the Somerset Primary Care Commissioning Committee Meeting
8 December 2021**

Title: Primary Care Finance Report – December 2021	Enclosure F
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Summary and Purpose of Paper

To inform the Somerset Primary Care Commissioning Committee of the financial position for Primary Care budgets for the period 1st April 2021 to 30th September 2021.

Recommendations and next steps

The Somerset Primary Care Commissioning Committee is asked to note the 2021/22 funding allocations for the period 1st April 2021 to 30th September 2021 and the year to date actual performance against Primary Care expenditure budgets as at 30th September 2021.

Impact Assessments – key issues identified

Equality	Equality and diversity are at the heart of Somerset Clinical Commissioning Group’s work, giving due regard to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited in under the Equality Act 2010) and those who do not share it, in its functions including financial performance.			
Quality	N/A			
Privacy	N/A			
Engagement	N/A			
Financial / Resource	The confirmed Primary Care (Medical) allocation for the first half (H1) of 2021/22 is £44.661m. This includes a non-recurrent allocation of £1.187m to support the Primary Care Covid-19 pandemic response, and £0.29m relating to the Long Covid enhanced service. Primary Care Transformation allocations for H1 2021/22 are £1.03m. Other Primary Care and Local Enhanced Services are funded from within the main CCG resource allocation.			
Governance or Legal	From 1 st April 2019 Somerset Clinical Commissioning Group took delegated responsibility for managing Primary Care (Medical) Services within its resource allocation.			
Risk Description	For 2021/22 the risk of any over-commitment against Primary Care (Medical) allocations lies with Somerset Clinical Commissioning Group. This risk rating reflects that a financial break-even position has been achieved for the financial period from 1 April 2021 to 30 September 2021.			
Risk Rating	Consequence	Likelihood	RAG Rating	GBAF Ref
	3	1	3	

Primary Care Budgets 2021/22

1. Primary Care (Medical) – delegated budgets

1.1. Resource Allocation

- 1.1.1. Current financial reporting is based on the first six months of the 2021/22 financial year only (H1). System financial settlements for months 7-12 (H2) were announced on 30th September 2021, along with guidance regarding planning for this period. When system financial plans have been submitted and agreed for the H2 period budgets will be rolled on through the full financial year. Draft system financial plans for H2 were submitted on 21st October 2021, with full final activity, performance, workforce and system finance plans submitted on 18th November 2021.
- 1.1.2. Primary Care (Medical) recurrent funding allocations for H1 demonstrate an increase in half year funding for Somerset of £2.754m compared to 2020/21 funding levels, with the total 2021/22 H1 recurrent allocation being £43.184m.
- 1.1.3. In addition to the Primary Care (Medical) allocation, the Clinical Commissioning Group have received a non-recurrent allocation of £1.187m during H1 to support the Primary Care response to the Covid-19 pandemic.
- 1.1.4. In H1 the CCG received a Long Covid enhanced service allocation for 2021/22 of £0.290m. This resource allocation is for the full financial year and will be committed across H1 £0.116m and H2 £0.174m.
- 1.1.5. The total 2021/22 H1 allocation for Primary Care (Medical) is therefore £44.661m.

1.2. Expenditure (Table 1)

- 1.2.1. As at 30th September 2021 a balanced H1 financial position was delivered against Primary Care (Medical) budgets.
- 1.2.2. District Valuer revaluations on GP premises have resulted in a decrease in rent and rates charges below planned levels for H1, with an under-commitment of £170k reported against total premises budgets.
- 1.2.3. In addition the Primary Care (Medical) contingency fund was not required for the H1 period.
- 1.2.4. These underspends offset increased commitments against planned budgets due to list size growth and accrued commitments for section 96 resilience payments.
- 1.2.5. In H1 the CCG received a Long Covid enhanced service allocation of £0.290m which is for the full financial year. The reported position includes an accrual in H1 to reflect that £0.174m of this funding will be utilised in H2.

2. Other Primary Care Services.

2.1. Allocation

2.1.1. Non delegated payments and Local Enhanced Services are funded from within the CCG's main resource allocation and budgets are set as part of the planning process each year.

2.1.2. Primary Care Transformation is a national initiative for investment in Primary Care, replacing the GP Forward View, and funding allocated for H1 of 2021/22 totalled £1.030m.

2.2. Expenditure (Table 2)

2.2.1. Other Primary Care Services expenditure broke even against budget for H1 2021/22.

2.2.2. Local Enhanced Services show a total favourable variance against budget of £0.360m for H1. The reported financial position reflects a reinvestment of this resource into Primary Care Improvement Schemes (PCIS).

2.2.3. A full year allocation of £0.504m has been received in H1 for Minor Improvement Grants. The full allocation has not been spent during H1 and accruals have been raised to reflect that £0.319m of this funding will be committed in the H2 period.

3. Recommendation

3.1. The Committee is asked to:

3.1.1. Note the Primary Care funding allocations for the period 1st April 2021 to 30th September 2021 and reported expenditure as at 30th September 2021.

Jacqui Damant
Associate Director of Finance

17th November 2021

Table 1

NHS Somerset CCG
2021/22
Delegation Report Month 6

Area of Spend		H1 Budget £000s	H1 Actual £000s	H1 Variance £000s
GMS Contract Payments	Global Sum	19,030	19,075	45
PMS Contract Payments	PMS Contract Value	9,079	9,106	27
Premises Costs	Rent	3,672	3,538	(133)
	Rates	710	680	(30)
	Water Rates	50	50	0
	Clinical Waste	102	102	0
	Other Premises Costs	13	7	(6)
	Subtotal	4,547	4,377	(170)
Directed Enhanced Services	Learning Disability Health Check	175	175	0
	Minor Surgery	494	494	0
	Special Allocation Service	30	30	0
	Subtotal	699	699	0
Primary Care Networks	Network Contract Participation	530	530	0
	Network Clinical Directors	215	215	0
	Network Additional Reimbursable Roles	2,124	2,124	0
	Network Extended Hours	411	411	0
	Care Home Premium	392	392	0
	IIF Achievement	242	242	0
	Subtotal	3,914	3,914	0
QOF	QOF Aspiration	3,035	3,035	0
	QOF Achievement	1,682	1,682	0
	Subtotal	4,717	4,717	0
Other Services	Locum Cover	486	486	0
	CQC Fee Reimbursement	175	175	0
	GP Retainers	65	65	0
	Translation Fees	17	17	0
	Sterile Products	13	13	0
	Section 96 Payments	226	540	313
	Covid Support Fund	1,187	1,187	0
	Long Covid ES	290	290	0
Subtotal	2,459	2,773	313	
Contingency	Contingency	216	0	(216)
2021/22 Total		44,661	44,661	(0)

Table 2

NHS Somerset CCG
2021/22
Other Primary Care Report Month 6

Area of Spend		H1 Budget £000s	H1 Actual £000s	H1 Variance £000s
Non Delegated	GP IT Costs	1,231	1,231	0
	Minor Improvement Grants	504	504	0
	Primary Care Improvement Scheme (PCIS)	3,425	3,809	384
	GP Transformation	463	439	(24)
	IUCD (LARC) Cost Transfer	229	229	0
	Cost of Dispensing Fees (incl. DSQS)	5,243	5,243	0
	Prescribing Incentive Scheme	191	191	0
	Subtotal	11,286	11,646	360
Local Enhanced Services	Anti-Coagulation	470	468	(2)
	Dermatology	200	147	(53)
	Enhanced Drug Monitoring	250	224	(26)
	Leg Ulcer / Compression Bandaging	225	182	(43)
	ACES	332	251	(81)
	Other Optometry	18	10	(8)
	Minor Injuries	82	60	(22)
	Other	476	351	(125)
	Subtotal	2,053	1,693	(360)
Primary Care Transformation	GP Retention	60	60	0
	Practice Resilience	42	42	0
	Online Consultations	78	78	0
	Primary Care Networks	144	144	0
	Workforce Training Hubs	60	60	0
	Infrastructure and Resilience	64	64	0
	Fellowships Core Offer	272	272	0
	Supporting Mentors	54	54	0
	Digital First Support	196	196	0
	Flexible Pools Scheme	60	60	0
	Subtotal	1,030	1,030	0
		14,369	14,369	0

Appendix 2 – Glossary

CCG	Clinical Commissioning Group
Global Sum	The amount each GMS practice is paid per weighted patient on its practice list. Also used to calculate PMS contract values on a similar basis.
GMS	General Medical Services – Practices working for the NHS under the national contract.
IIF	The Investment and Impact Fund (IIF) was introduced as part of the amended 2020/21 Network Contract Directed Enhanced Service (DES). In 2020/21, the IIF was in place for six months, from 1 October 2020 until 31 March 2021.
NHSE/I	NHS England and NHS Improvement
PCIS	Primary Care Improvement Scheme
PMS	Personal Medical Services – practices working for the NHS under local contracts, most of which were originally let by PCTs. Contracts are now held by NHSE and have converged with GMS.
Primary Care (medical)	The official title of the allocation used for GP services otherwise known as delegated budgets.
QOF	Quality and Outcomes Framework. Practices can earn additional funding by meeting key clinical targets
Weighted patient/list	For funding purposes practice list sizes are weighted to recognise a number of factors, intended to reflect the level of work required for different categories of patient.